

20 mto
6/18

Educational (1903) Department.

ORDINARY PRINTED.

G.O., No. 502

DATED 9-10-03.

N. P.

ORIGINAL

[Despatch Abstract.]

Requesting sanction to the acceptance by the education
of a fee of Rs 400 for entrance for a period of two years
for acting as the consulting Engineer of the Indian Aluminium
Company.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
			20-01-03				

ORIGINAL

Government {1903} of Madras. EDUCATIONAL.

Recd.

Enclosures

1903.

Regd.

Spare copies

ORIGINAL

Letter No. 502, 9th October 1903.

N. P.

OCTOBER.

The Indian Aluminium Company.

Requesting sanction to the acceptance, by Mr. Chatterton, of a fee of Rs. 4,000 per annum for a period of two years for acting as the Consulting Engineer of —.

GOVERNMENT OF MADRAS.

EDUCATIONAL DEPARTMENT.

READ—again the following papers:—

G.O., No. 417, Educational, dated 7th September 1903.

„ „ 433, „ „ 12th „ „

Read—also the following papers:—

From B. HAWKINS, Esq., Managing Director to the Indian Aluminium Company (Limited), to the Secretary to Government, Local and Municipal department, dated 9th September 1903.

In acknowledging, with thanks, copy of note of agreement effected at Ootacamund on the 4th current, I now request that you will be good enough to move the Government of India for early sanction for the appointment of Mr. Alfred Chatterton as Consulting Engineer to this company. The Directors feel that not only is Mr. Chatterton the most suitable expert from whom to seek advice, but that he is the only person in India outside the company's own staff who has a practical and thorough knowledge on the subject, and his appointment is looked upon as a matter of the utmost importance to the future success of the company's operations.

From A. CHATTERTON, Esq., Officer in charge of the Aluminium department, School of Arts, to the Secretary to Government, Educational department, dated Madras, 6th October 1903, No. 3191-A1.

I have the honour to report that the Directors of the Indian Aluminium Company have signed the agreement regarding the transfer of the aluminium business of the School of Arts, which was drawn up by the Government Solicitor and approved of by Government. On the 25th September 1903 they paid Rs. 63,504 and on the 30th September a further sum of Rs. 1,00,000. The agreement provides for the transfer as from the 15th September, and as the final payment was not made till the end of the month the company have paid a further sum of Rs. 5,112-3-3 on account of expenditure incurred after the 15th September. The total amount paid by the company was, therefore, Rs. 1,68,616-3-3, of which Rs. 52,515-0-7 was on account of outstandings due by them for metal and manufactured goods purchased during the last six months. The total sum paid by the Indian Aluminium Company for stock-in-trade, machinery, etc., was Rs. 1,16,101-2-8, and a further sum of Rs. 25,000 is being gradually collected as the outstandings due to this department are being paid. Up till the present date (6th October) I have received Rs. 5,053-3-11 on account of this item.

2. Owing to the large number of orders which have been received by this department during the month of September and which have still to be executed, it is probable that work will continue here till nearly the middle of November; and I have arranged that this should be done at the expense of the Indian Aluminium Company, and that they should pay to Government a sum of Rs. 1,000 per month

for value received in the way of supervision, office establishment and rent. Unless some such arrangements were made, there would be a serious break in the continuity of the business which will cause much inconvenience especially as the bulk of the work now on hand is either for the Board of Revenue, the Military authorities, or for various civil offices. I do not anticipate that there will be any difficulty in recovering the whole of the Rs. 25,000 due on account of outstandings by the agreed date, as the business is very brisk and receipts are coming in in a satisfactory manner.

Telegram from A. G. CARDEW, Esq., I.C.S., Acting Secretary to Government, Educational department, to the Officer in charge of the Aluminium department, School of Arts, dated 7th October 1903.

Your letter 3191 sixth instant. Company should have paid rupees one lakh seventy-nine thousand six hundred plus net expenditure between third and thirtieth September or nearly rupees one lakh ninety thousand. Your letter shows that only one lakh sixty-eight thousand odd was paid. Please explain short payment immediately.

Telegram from A. CHATTERTON, Esq., Officer in charge of the Aluminium department, School of Arts, to the Secretary to Government, Educational department, dated Madras, 8th October 1903.

Payment made by company was correct as they had previously paid twenty-five thousand on account of outstandings. This was the sum originally on fixed deposit.

LETTER—No. 502, Educational, dated 9th October 1903, to the Secretary to the Government of India, Home department.

I am directed to invite reference to the correspondence ending with Mr. Hardy's letter No. 2449/25, dated 28th July 1902, in which the Government of India requested that the possibility of bringing the aluminium industry at the School of Arts to a close might be considered during the current year. Negotiations with this object were opened with the Indian Aluminium Company early in 1903, and have now been brought to a successful conclusion. The aluminium business, together with all stocks, plant, machinery, assets and liabilities, has been made over to the Indian Aluminium Company with effect from 30th September 1903, the company paying to Government a sum sufficient fully to cover the total net outlay that has been incurred from the commencement of the industry to date. This sum has been fixed at Rs. 1,93,616, of which Rs. 1,68,616 has been already paid in cash and the balance is to be paid within two months.

2. In taking over the business the Indian Aluminium Company has further requested that it may be allowed to retain Mr. Chatterton's services as Consulting Engineer for a time. As the Government of India is aware, the inception of the aluminium industry in Madras is due to Mr. Chatterton and his knowledge of its details is still superior to that of any one else. The Indian Aluminium Company accordingly desires to have his help for some time to come, and has proposed to pay him a fee of Rs. 4,000 per annum for a term of five years as Consulting Engineer. In this capacity his duties will be to pay visits to the company's workshop as often as may be convenient, to attend the meetings of the Directors when specially summoned, to keep the management informed of the suitability of any new machinery or process which would save time or labour, and generally to afford the company the benefit of his experience in connection with the manufacture of aluminium ware. If he goes on furlough he will also be expected to devote a reasonable amount of time and attention to the study of the methods in use in Europe. He will not be

allowed to be in any way the manager or Director of the company's business, or to have any part in it beyond acting as a Consulting Engineer, and it will be made a condition of this arrangement that the position of adviser to the company shall not interfere with his performance of his official duties as an officer of Government.

3. His Excellency the Governor in Council desires to assist the Indian Aluminium Company in the way above indicated. The establishment of the industry on a stable footing in this country is the object of all the time and labour that has been devoted to the aluminium enterprise, and it is desirable that the company which has now undertaken the task of carrying on the work begun by the State, should receive any reasonable support. I am therefore to express the hope that the Government of India will view favourably the proposal to allow Mr. Chatterton to accept the post of Consulting Engineer. The period of engagement should be limited to two years for the present, with permission to extend it for another two years if it should be found at the end of the first two years that further assistance is necessary, and that the arrangement is unobjectionable. Under article 74 of the Civil Service Regulations I am directed to request the sanction of the Government of India to the acceptance, by Mr. Chatterton, of the proposed retaining fee of Rs. 4,000 per annum for a period of two years for acting as the Consulting Engineer of the Indian Aluminium Company.

(True Extract.)

A. G. CARDEW,
Ag. Secretary to Government.

Exd. V. A. Rajarela.

NOTES CONNECTED WITH G.O., No. 502, EDUCATIONAL, DATED
9TH OCTOBER 1903.

[SUBJECT.—*Mr. Chatterton's employment as Consulting Engineer to the Indian Aluminium Company.*]

From the Indian Aluminium Company, dated 9th September 1903.

The company requests sanction for the appointment of Mr. Chatterton as its Consulting Engineer. The terms were stated in its letter, dated 21st May 1903, on pages 10 and 11 of the notes in G.O., No. 417, Educational, dated 7th September 1903. The appointment is to last for five years for the present and the remuneration is to be Rs. 4,000 per annum. The duties are thus defined—

"The services required would entail visits to the company's workshop as often as convenient and when specially summoned for Board meetings at which the Directors might wish for your attendance or in cases of emergency. The Directors would expect you to keep the management informed of the suitability of any new time or labour saving machinery and processes, and to generally afford the company the benefit of your experience in connection with its own line of manufacture. The Directors would also expect you to devote a reasonable amount of time and attention whenever you might be in Europe to the studying of methods there in use."

2. Mr. Chatterton says that the work will not interfere with his ordinary duties and will not occupy much of his time—*vide* page 10 of the notes just quoted. Mr. Chatterton is an enthusiast and the only danger is that he may allow more time to be devoted to his aluminium than to his own work and all the while may not be conscious of it. When his special duty is continued his other work too will not be onerous. The Director will have to keep a watchful eye on him.

3. The proposal to allow Mr. Chatterton to act as Consulting Engineer to the company was generally approved by Government—*vide* orders and demi-official No. 27, dated 26th February 1903, on page 6 of the notes quoted. The question now is whether the duties as defined and the proposed remuneration which is about a third of his own pay meet with approval. Before Mr. Chatterton is allowed to draw the remuneration the sanction of the Government of India has to be obtained under article 74 of the Civil Service Regulations.

P. T. THARYAN—13-9-03.

In a demi-official, dated 26th February 1903, on page 6 of the notes above quoted, the Director was told that the Government would be prepared to allow Mr. Chatterton to give his services as Consulting Engineer to the company, but that the period of service, the duties to be performed, and the remuneration to be received would have to be reported for approval, and the sanction of the Government of India obtained. The above promise has now to be carried out, and the company's letter of 21st May at pages 10 and 11 of the notes shows what the company wants. The chief point seems to be the period during which Mr. Chatterton is to be allowed to act as Consulting Engineer. Five years is a very long period, and I think sanction should, for the present, be limited to two years, subject

to renewal, if the arrangement is not found to be objectionable. It must be stipulated that Mr. Chatterton is not to undertake in any way the direction or management of the company's business, that he is to be purely a Consulting Engineer, and that he will be responsible that his performance of this duty as Consulting Engineer does not in any way prejudice his work as an officer of Government.

2. It would, of course, be easy to raise a dozen grounds of objection to Mr. Chatterton being allowed to accept the position of Consulting Engineer at all. The position is not consistent with the theory that an officer's whole time belongs to Government—an elastic principle applied whenever it is convenient and broken whenever occasion occurs. The basis of the decision to allow Mr. Chatterton to act as Consulting Engineer to the company, is, I believe, first that Government is really anxious to see the aluminium industry set on its legs in this country; and, secondly, that there has been a still stronger wish to shift the carrying on of the aluminium branch at the School of Arts to the Indian Aluminium Company or any other private body. If the company pays up its Rs. 1,84,600 to-morrow, and takes over the industry, the permission to use Mr. Chatterton for a time as Consulting Engineer will have to be looked on as a part of the price Government pays for getting rid of the aluminium enterprise, or rather as part of its contribution to the establishment of that industry in the country. As soon as we know that the transfer has been carried out, India may, I submit, be addressed.

A. G. CARDEW—14-9-03.

A good case can be made out for allowing Mr. Chatterton to accept this office. The prime reservation is, of course, that it does not interfere with his other and legitimate work. Colonel Love, the Director, or we shall have to see to that. Two years with leave to us to permit continuance if reason appeared is all that we can well ask. The only possible objection is that some rival company will start and raise the objection that Government is favouring the Indian Aluminium Company!

J. T[HOMSON]—15-9-03.

I concur.

A[MPTHILL]—16-9-03.

H. M. W[INTERBOTHAM]—17-9-03.

A draft order may be prepared, but can't issue till the Company has carried out its agreement to take over the business.

A.G.C.—18-9-03.

The draft placed below is submitted for approval.

P. T. THARYAN—23-9-03.

Draft to India is put up proposing to allow Mr. Chatterton to serve as Consulting Engineer.

A.G.C.—2-10-03.

J.T.—3-10-03.

I wrote demi-officially to Mr. Chatterton yesterday morning asking him to report the exact figures required for paragraph 1 of the letter to India. This must be awaited.

A.G.C.—6-10-03.

From Mr. Chatterton, No. 3191, dated 6th October 1903.

[Telegram to Mr. Chatterton, dated 7th October 1903.]

Telegram from Mr. Chatterton, dated 8th October 1903.

The position is as follows. According to the note of agreement of the 4th ultimo the company should pay Rs. 1,67,859, the net expenditure up to 31st March 1903 *plus* Rs. 6,611, the net expenditure between 1st April and 2nd September 1903 *plus* the actual net expenditure between 3rd and 15th September which was estimated at Rs. 5,000 *plus* Rs. 30,000, or a total of Rs. 2,09,470. Instead, however, of a net expenditure of Rs. 5,000 between 3rd and 15th September there

* This is only a deduced figure.

was a surplus of Rs. 15,966 * owing to the

P.T.T.

payment of Rs. 25,000 out of the amount outstanding with the company. The

amount payable has thus been reduced to Rs. 1,67,859 + 6,611 — 15,966 + Rs. 30,000 or Rs. 1,88,504. Of this sum Rs. 1,63,504 with a further sum of Rs. 5,112 representing the net expenditure between the 16th and 30th September has been paid.

2. With the receipt of Rs. 25,000 from the outstandings with the company the position will be better than was anticipated by Rs. 1,63,504 + 25,000 — 1,84,600 or Rs. 3,904.

3. The necessary correction has been made in paragraph 1 of the draft placed below which may now issue.

P. T. THARYAN—8-10-03.

The draft to India may issue.

A. G. CARDEW—9-10-03.

[G.O., No. 502, Educational, dated 9th October 1903.]

The following papers:-
READ AGAIN G.O., No. 417, dated 7-9-1903.
" " " " 433, " 12-9-1903.

READ ALSO:-

C. No. 1436, From the Indian Aluminium Company, No. A, dated 9-9-1903.
" 1593, " Mr Chatterton, " 3191, " 6-10-1903.
" 1606, " " " " 8-10-1903.

Order no 502 d/9-10-03

Letter
ORDER

No. 503, dated 9-10-1903.

The Govt of India will be addressed

*Despd
9/10/03*

To the Secretary to the
Government of India,
Home Department.

Sir,

I have the honour to invite reference to the correspondence ending with Mr. Hardy's letter No. 2449-25 dated 28th July 1902, in which the Government of India requested that the possibility of bringing the Aluminium industry at the School of Arts to a close might be considered during the current year. Negotiations with this object were opened with the Indian Aluminium Company early in 1903, and have now been brought to a successful conclusion.

The

*To
The Indian Aluminium Company
A.P.P.*

The Aluminium business, together with all stocks, plant, machinery, assets and liabilities has been made over to the Indian Aluminium Company with effect from 30th September 1903, the company paying to Government a sum sufficient fully to cover the total net outlay that has been incurred from the commencement of the industry to date. This sum has been fixed at Rs. ~~1,93,616~~ ^{168,616} of which Rs. ~~1,25,000~~ ^{1,25,000} has been already paid in cash and the balance is to be paid within 2 months.

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The Indian Aluminium Company accordingly desires to have his help for some time to come, and has proposed to pay him a fee of Rs. 4,000 per annum for a term of 5 years as Consulting Engineer.

In this capacity his duties will be to pay visits to the Company's workshop as often as may be convenient, to attend the meetings of the Directors when specially summoned, to keep the management informed of the suitability of any new machinery or process which would save time or labour and generally

to

Notes only

* In agreement 188,504

Figs will be corrected when actuals are known
 16th 30th Sept 5,112
 193,616

M.L.
21003

* In agreement 163,504

16th 30th Sept 5,112
 168,616

to afford the Company the benefit of his experience in connection with the manufacture of Aluminium ware. If he goes on furlough, he will also be expected to devote a reasonable amount of time and attention to the study of the methods in use in Europe. He will not be allowed to be in any way the Manager or Director of the company's business, or to have any part in it beyond acting as a Consulting Engineer, and it will be made a condition of this arrangement that the position of adviser to the Company shall not interfere with his performance of his official duties as an officer of Government.

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Alf
3w03

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3w03

First copy sent to Press.

Returned for signature.

Despatched in print.

READ AGAIN G.O., No.
190

DATED

CURRENT No.

ENCLOSURES TO G. No.

ORDER OF GOVERNMENT

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH IN ORIGINAL.

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